

MEXICO: Country of the Year A Partnership for Prosperity

Congratulations to Mexico, USTDA's 2004 Country of the Year. Each year, this selection is based on criteria such as the breadth of projects initiated, the strength of private sector involvement in them, the opportunities available for participation by U.S. firms, and the public sector commitment to the identified priorities. For Mexico in 2004, each of these criteria was evaluated as excellent.

The success of USTDA's program in Mexico can be attributed to a number of factors. One is the framework of the Partnership for Prosperity, which was established by U.S. President George W. Bush and Mexican President Vicente Fox in 2001 to leverage private resources to create jobs and promote growth throughout Mexico. USTDA plays a key role in the Partnership's action plan of advancing concrete and innovative initiatives on housing, infrastructure, transportation, environmental remediation, development financing and information technologies. Another key factor is the strength of the relationship between USTDA and Nacional Financiera (NAFINSA), Mexico's leading development bank. Both the Partnership for Prosperity and USTDA's relationship with NAFINSA have allowed for cogent initiatives to establish

developmental objectives and to successfully pursue such priorities with mutual resources and expertise.

To confer the award, USTDA Director Thelma J. Askey traveled to Mexico to personally convey the honor to Mexican President Vicente Fox. In the presence of several senior Mexican officials, Director Askey presented President Fox with a plaque commemorating the Country of the Year selection.

USTDA has been active in Mexico since 1983. Since then, the agency has funded over 90 early project-planning continued on page 2



USTDA Director Thelma J. Askey (left) meets with Mexican President Vicente Fox (right) prior to the presentation of the agency's Country of the Year award.

Spotlight on Mexico





C.P. Mario Laborín Gómez, NAFINSA General Director

USTDA and NAFINSA: Partners in Mexico's Development

ne of USTDA's partners in Mexico is Nacional Financiera, S.N.C. (NAFINSA), Mexico's premier development bank. In 2002, USTDA signed an agreement that enables the agency to provide grant funds to NAFINSA to contract with U.S. firms to carry out activities related to its programs in Mexico.

Recently, *Update* interviewed Mario Laborín Gómez, NAFINSA General Director, regarding the institution's partnership with USTDA.

Update: What can you tell us about NAFINSA?

Director Laborín: NAFINSA's mission is to support small and medium-sized enterprises (SMEs) in Mexico through several financial schemes, training, technical assistance and information programs. Currently, we are behind 40 percent of all loans

of less than US\$1 million given to SMEs by financial intermediaries in Mexico. NAFINSA also supports

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The U.S. Trade and Development Agency (USTDA) advances economic development and U.S. commercial interests in developing and middle income countries. The agency funds various forms of technical assistance, feasibility studies, training, orientation visits and business workshops that support the development of a modern infrastructure and a fair and open trading environment.

USTDA's strategic use of foreign assistance funds to support sound investment policy and decision-making in host countries creates an enabling environment for trade, investment and sustainable economic development. Operating at the nexus of foreign policy and commerce, USTDA is uniquely positioned to work with U.S. firms and host countries in achieving the agency's trade and development goals. In carrying out its mission, USTDA gives emphasis to economic sectors that may benefit from U.S. exports of goods and services.

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Director's Message





Thelma J. Askey, Director

The tragic tsunami disaster at the end of 2004 presents new challenges to which USTDA and other U.S. government agencies are responding with assistance activities that address sustainable recovery needs.

Already, USTDA has funded environmental experts to assess Thailand's coastal damage and is supporting an in-depth wetlands management activity. In India, we are dispatching a definitional mission to assess potential water and wastewater activities for possible USTDA support.

In addition, we are coordinating with the U.S. Department of State and the National Oceanographic and Atmospheric Administration to develop all-hazards domestic emergency communications systems in countries impacted by the tsunami. We are also coordinating with the U.S. Small Business Administration on a technical assistance package aimed at improving the flow of reconstruction capital to the country's small and medium-sized enterprises. Emergency preparedness communications will be a highlight of our Southeast Asia Information and Communications Technology Conference, which will be held April 27-29, 2005 in Bangkok.

USTDA will also apply its global experience in the areas of emergency preparedness and response, water resource management, communications, and infrastructure development in helping to meet tsunami-related priorities. Likewise, USTDA is planning to offer technical assistance to affected countries in support of both World Bank and the Asian Development Bank funding commitments. Possible areas for USTDA involvement include funding assessments of reconstruction needs, and feasibility studies involving the transportation, water and communications sectors.

Overall, these activities build on USTDA's great measure of experience supporting recovery and reconstruction efforts worldwide. In this way, the agency is applying its skill in providing targeted assistance to help nations to recover from the devastation and to take steps to minimize the impact of similar natural disasters in the future. USTDA remains ready to serve as a bridge to U.S. goods, services and technologies that will help our overseas partners to accomplish their goals. @

MEXICO: COUNTRY OF THE YEAR continued from page 1

activities supporting development projects valued at several billion dollars. As a result of USTDA's activities in Mexico, U.S. firms have partnered with Mexican project sponsors to provide approximately \$557 million in goods and services targeting key Mexican development priorities. Highlights of USTDA's 2004 program in Mexico include a conference co-sponsored by NAFINSA on expanding Mexico's venture capital funds market and a USTDA-sponsored roundtable on "Enhancing Infrastructure, Security and Logistics" at the 2004 Partnership for Prosperity conference in Guadalajara, Mexico. In addition, USTDA provided funding for the advancement of airport modernization projects in the state of Yucatán, multimodal rail transportation projects in Tijuana and Central Mexico, mining operations in the state of Chihuahua, and water and waste programs on the U.S.-Mexico border.

USTDA is pleased to honor Mexico as its 2004 Country of the Year. Looking ahead, the agency will continue to work with strong partners in Mexico and throughout Latin America and the Caribbean to advance important development objectives. 3



USTDA Targets Trade Priorities in Asia and Tsunami Recovery

A sia's rapidly growing economies present strong opportunities for U.S. private sector participation in the region's development.

USTDA's reconfigured Asia Region, encompassing Southeast Asia, China, Mongolia and the Pacific, responds to these dynamics with a progressive program that targets U.S. development and trade policy priorities across the diverse region. USTDA is also developing special initiatives on tsunami economic recovery, working closely with other U.S. government agencies.

The agency continues to receive robust de-

mand for its services in Asia and is developing a strong pipeline of new projects for 2005 that includes the following primary areas:

- Asia-Pacific Economic Cooperation forum collaboration, especially in transportation modernization and public health emergency preparedness;
- · U.S.-China trade, including aviation sector expansion, petrochemical sector growth, and banking and agricultural biotechnology regulation;
- Transportation and trade capacity building, working through a new USTDA-supported facility at the

Asian Development Bank;

- Aviation safety, including regional and bilateral projects;
- U.S.-Thailand Free Trade Agreement, especially new trade capacity-building assistance;
- Tsunami recovery, highlighting interventions in warning system communications, business recovery financing, emergency preparedness and infrastructure reconstruction in the affected areas: and

• Telecommunications, information technology and

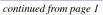
e-government expansion.

USTDA is currently planning a Southeast Asia Information and Communications Technology (ICT) Conference to take place April 27-29, 2005 in Bangkok, Thailand. The event will highlight current topics in the ICT industry and will focus on matching Southeast Asian policy makers and project sponsors in the ICT sector with U.S. providers of services and technology solutions. For more information, visit the conference website at www.trademeetings. com. 🔞



USTDA is funding the design of a wetlands restoration and management system in Thailand. Pictured here at the grant signing are USTDA Policy and Program Director Geoff Jackson and Dr. Apichart Anukularmphai, President of Thailand Water Resources Association.

Spotlight on Mexico



activities designed to strengthen and further the development of the domestic financial market.

Update: How has NAFINSA's partnership with USTDA helped it to fulfill its mission?

Director Laborín: Our cooperative agreement has not only served as an outstanding opportunity to broaden the range of products available to our current and potential clients, but has also contributed to the growth and competitive development of SMEs in Mexico.

To give you an example, in 2002, USTDA approved a grant to NAFINSA to support technical assistance on strengthening Mexico's venture capital industry. The study helped us to identify the main challenges we face, as well as the options we have, to improve the efficiency and transparency of our market operations. This effort will increase SME access to capital and will lead to job creation and regional development in Mexico.

Update: How can U.S. firms track business opportunities related to NAFINSA?

Director Laborín: U.S. firms can pursue procurement information through Mexico's Official Gazette "Diario Oficial de la Federación," or through the Government's electronic purchases system, "Compranet" (http://compranet.gob.mx).

Update: Are there areas for additional partnerships between USTDA and NAFINSA on the horizon?

Director Laborín: We will continue to work on expanding our cooperation to encourage new ventures involving more sectors, such as the environment, energy efficiency, telecommunications, and industrial equipment, just to mention a few.

Update: Thank you for your time, Director Laborín. We look forward to continued cooperation between USTDA and NAFINSA in the coming years. &

For more information about NAFINSA, call 1-800-NAFINSA, or visit NAFINSA's website at www.nafinsa.com.

UPCOMING EVENTS LINEUP

SOUTHEAST ASIA INFORMATION AND **COMMUNICATIONS TECHNOLOGY (ICT) CONFERENCE**

USTDA is sponsoring a Southeast Asia regional conference on ICT, addressing key public policy issues and private sector market opportunities. The event will highlight major trade opportunities in Indonesia, Malaysia, Philippines, Thailand, and Vietnam. Special emphasis will also be placed on sector development and policy issues in East Timor, Laos, Papua New Guinea, Singapore, and Brunei.

Dates: April 27-29, 2005

Location: The Conrad Hotel, Bangkok, Thailand Contacts: Kevin Craemer and Dan Lamey 1 (866) 636-4729 (Toll free in the U.S.)

E-mail: ustda@mfmgroup.com

CHINA SOLID WASTE MANAGEMENT OV

USTDA is bringing officials responsible for the implementation of major landfill development projects in China to the United States to visit a number of sites and to meet with U.S. equipment and service providers. The visit will highlight the latest U.S. technology in the solid waste construction industry and is designed to coincide with the WasteExpo 2005 exposition to be held in Las Vegas,

Dates: Early May 2005

Locations: Los Angeles, CA; Las Vegas, NV;

and Chicago, IL

Contact: David Elliott (202) 429-5245

E-mail: mak@kealtd.com

PAKISTAN OIL SPILL RESPONSE AND **RECOVERY OV**

USTDA is sponsoring an OV for Pakistani officials to learn about U.S. policy and practices in the area of oil spill response, recovery and prevention.

Dates: May 7-20, 2005

Locations: Edison and Leonardo, NJ; Washington, DC;

Mobile, AL; and Miami, FL

Contact: Deborah Palmer (703) 255-1101 x112 E-mail: dpalmer@decisionanalysis.net

PERU TRANSPORTATION INFRASTRUC-**TURE ORIENTATION VISIT**

USTDA is sponsoring an OV for officials from OSITRAN, Peru's investment regulatory agency, to visit U.S. airports, seaports, railroads, and highways to learn more about U.S. practices in transportation infrastructure oversight and management.

Dates: May 14-22, 2005 (Sector: Seaports)

Locations: Houston, TX; Jacksonville, FL; and

Elizabeth, NJ

Contact: Dan Moyes (210) 654-3546 E-mail: dmoyes@labat-texas.com



Focusing Resources on Africa's Development

STDA is creating a dynamic program in Sub-Saharan Africa for 2005. The Group of Eight industrialized nations is also focusing on Africa's developmental challenges this year, making it an exciting time to work in this important region. USTDA will work closely with the White House and coordinate with colleagues among other donors around the world to make the most of this significant opportunity.

In addition, the African Union is facilitating cooperative approaches to regional development. USTDA is supporting this strategy, which includes cross-border trade-related infrastructure, regional electricity integration, and development initiatives led by the New Partnership for Africa's Development.

One of the keys to economic development in Africa is the effort to more fully integrate the continent into the global economy. In this regard, USTDA will continue to support activities designed to help investors consider under the expanded African Growth and Opportunities Act.

Most of the agency's 2005 investments will be developed through a series of USTDA-sponsored definitional missions in the energy, public utilities, water and wastewater, and mining sectors that are visiting the region to identify leading opportunities for USTDA assistance. USTDA expects to make new investment decisions based on the recommendations of these missions during the spring and summer. &

new business opportunities in Africa. In particular, USTDA will work closely with the Office of the U.S. Trade Representative to support free trade negotiations with African trading partners and to help countries take advantage of the new trade opportunities

Advancing U.S. Policy Priorities in Europe and Eurasia

STDA's program in Europe and Eurasia in 2005 is designed to support U.S. policy priorities, including Afghanistan reconstruction, the diversification of U.S. energy supplies, and regional transition to market-based companies.

With a successful Presidential election and a new cabinet in place, Afghanistan is poised for expanded economic growth. In this environment, USTDA plans to increase its emphasis on capacity-building programs in areas such as standards and consulting engineering. Among other things, a major oil and gas seismic survey is planned.

USTDA will also support efforts to diversify U.S. energy supplies and increase energy security overseas. Already funding has been approved in support of an underground gas storage project for Kazakhstan, and the agency is looking at other projects in Russia, Ukraine and Turkey.

Promoting Private Sector-Led Growth in Latin America and the Caribbean

s the transition in Latin America and the ACaribbean to market-driven economies continues, there are numerous opportunities for USTDA to invest in activities designed to enhance the region's capacity for growth. Examples include the financial services sector in Mexico,

infrastructure financing in Brazil, oil and gas development in Peru, transportation and energy integration in Central America, and basic essential infrastructure in Haiti.

The ongoing U.S. free trade negotiations with Bolivia, Colombia, Ecuador, Panama and Peru continue to progress and USTDA is an active participant in the trade capacity-building components. Already, the agency has invested significant resources in technical assistance for Central American nations, with linkages to the

U.S.-Central America Free Trade Agreement. A strong demand for the agency's services is also anticipated as other free trade negotiations in the region come to conclusion.

Overall, USTDA will apply its resources

to those projects in Latin America and the Caribbean with the greatest potential to advance U.S. policies and strategies, to have significant developmental impact on host countries, and to promote market-driven economic policies. Key sectors will include transportation, information

> technology, and energy (including both fuel resources and electric power generation).

Asthe economic situation in the region translates into financing availability, USTDA expects to see major infrastructure investment taking place. Business opportunities for U.S. consultants to carry out activities in key sectors will be evident this year with a strong



USTDA Regional Director Albert W. Angulo applauds following the presentation of certificates to regional port officials who completed training on International Ship and Port Security code certification and implementation requirements at a USTDA-funded technical symposium in late 2004. Standing on the far left is Karina Blanco, a Project Analyst contractor in USTDA's Latin America and the Caribbean region.

demand for implementation assets, in terms of both goods and services, to follow. USTDA will continue to monitor these developments and offer support to activities that advance development priorities in the region.

Pictured here (left to right) following the award of USTDA assistance on the legal and regulatory framework related to the Afghan aviation industry are: USTDA Regional Director Daniel D. Stein, Chargé d'Affaires at the U.S. Embassy in Kabul, Richard Christenson; and His Excellency Enayat Qasimi, Minister of Transportation of Afghanistan.

Elsewhere in the region, USTDA plans to provide targeted assistance to countries developing their market-based economies. An example is USTDA's advisory assistance to the Ministry of Communications and Information Technologies in Azerbaijan. In Kyrgyzstan and Tajikistan, USTDA is supporting activities to help meet those countries' demand for electric power. Finally, USTDA has already approved several new activities involving telecommunications restructuring and privatization, as well as broader activities, such as e-government and cadastre development.

Overall, USTDA's dynamic program in Europe and Eurasia is advancing private sector-based solutions to the region's development challenges. @



Forging Partnerships for Development in the Middle East, North Africa and South Asia

reorganization (See "Reorganization" Vol. 11, Issue 3, Summer Ed. 2004), the new Middle East, North Africa and South Asia region (MENASA) provides a vehicle within the agency for focusing increased attention on this challenging and important part of the world. The successful implementation of projects that advance economic development is a key aspect of this broad region that stretches from Morocco to Bangladesh.

For 2005, USTDA will concentrate on several priority sectors in the MENASA region. They include: energy supply, water resource management, transportation, and disaster preparedness and recovery. With respect to specific activities, USTDA has already es-

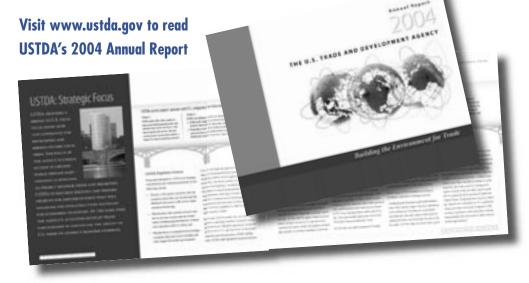
tablished robust project pipelines in several leading countries, including India, Jordan, Iraq, and Egypt, and is laying the foundation for strong programs in the other countries in the region, including Morocco, Pakistan and Sri Lanka.

In response to the recent tsunami disaster in Asia, USTDA is also exploring ways to respond with appropriate assistance in the areas of basic infrastructure rehabilitation and disaster preparedness systems. Additionally, the agency is examining potential activities to advance the implementation of regional policy initiatives, such as the Middle East Partnership Initiative.

Finally, USTDA will continue to develop its program in Iraq, which was launched last year. To date, the program has focused on the information and communication technology and railways sectors, but also includes activities in the banking, accounting, housing and construction, and oil and gas sectors. During 2005, the agency plans to build upon those activities, with additional work in areas such as telecommunications and aviation. §



Activities that facilitate port security and compliance with the International Maritime Organization's International Shipping and Port Facilities Security code are a focus for USTDA worldwide. Pictured here are the participants in USTDA-funded training for port officials from the Middle East and North Africa. The training took place in Tunisia in early 2005, and was conducted in collaboration with the U.S. Coast Guard.



USTDA Arrivals and Departures

Staff News

There are a number of exciting staff changes at USTDA, involving both familiar faces and new ones.

First, Geoff Jackson was named Policy and Program Director. Previously, he served as Assistant to the Director for Policy Planning and Regional Director for Asia. In his new capacity, Geoff will oversee the agency's regional programs and coordinate its activities in support of U.S. policy initiatives.



USTDA welcomes (left to right) Michele Bivins, Financial Management Analyst; Lynda Kindrick, Contracts Specialist; Kevin Fandl, Special Assistant to the Deputy Director; Leila Aridi Afas, Country Manager; and Silvia Ortiz, Administrative Assistant.

Other USTDA personnel also have new responsibilities. Daniel D. Stein has taken over a combined Europe and Eurasia region, while Ned Cabot has assumed the agency's Sub-Saharan Africa portfolio. Henry Steingass is now the Regional Director for Asia, while Carl B. Kress is the Regional Director for the newly created Middle East, North Africa and South Asia region. Albert W. Angulo continues to serve as Regional Director for Latin America and the Caribbean.

In addition, USTDA is pleased to welcome a number of new arrivals to the agency. Michele Bivins has joined USTDA as a Financial Management Analyst, while Kevin Fandl is serving as Special Assistant to the Deputy Director and Silvia Ortiz is a new Administrative Assistant. Lynda Kindrick, Contracts Specialist, and Leila Aridi Afas, Country Manager in the Middle East, North Africa and South Asia region, are familiar faces at the agency, having served previously as USTDA contractors in the Office of Contracts and the Asia Region, respectively.

USTDA bids a fond farewell to five staffers who have left to pursue other opportunities. They are Anthony Grayson, Contracts Manager; Caryn Hines, Attorney Advisor; Kenneth Miller, Country Manager; and Olivia Kennedy and Maria Aber, both Administrative Assistants. USTDA also thanks Lance Ludman, Africa Business Development Manager for his outstanding service to the agency. USTDA wishes all of them well in their future endeavors.



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USTDA Has Changed

USTDA is updating its mailing list in conjunction with the agency's recent reorganization. We would like to know if you are interested in receiving future issues of *Update* and other mailings. We would also appreciate receiving updated regional and sectoral preference information from you, as well as any changes to your address or contact information. Please complete the form below and return it by fax to the USTDA Information Resource Center Manager at (703) 875-4009.

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